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1.0 Description of the Procedure, Product or Service

1.1 Cardiac Rehabilitation

Phase II outpatient cardiac rehabilitation is a comprehensive program of medical evaluation designed to recondition the cardiovascular system and restore patients with cardiovascular heart disease to active and productive lives. A cardiac rehabilitation program includes prescribed exercise; cardiac risk factor modification; education; and counseling, which includes diet instruction and disease management. It is used to assist patients eight years of age and older in dealing with active heart disease and must be performed in a participating facility that has current certification under the Division of Health Service Regulation in accordance with 10A NCAC 14F.1100 through 14F.2106.

1.2 Risk Stratification

Risk stratification is usually documented as high risk, intermediate risk, or low risk and is used to identify patients at risk for death by infarction or re-infarction to provide guidelines for the rehabilitative process. Risk stratification includes the degree of limitation of exercise during a treadmill electrocardiogram (ECG) stress test performed within three weeks of the program's initiation. Measurement of risk stratification is determined by applying the metabolic equivalents (METs) achieved in the qualifying formal treadmill exercise test or the cycle ergometer exercise test that was performed prior to the patient's participation. A MET or work metabolic rate/resting metabolic rate is a multiple of the resting rate of oxygen consumption during physical activity. One MET represents the approximate rate of oxygen consumption of a seated adult at rest or 3.5 ml of oxygen consumed each minute per kilogram of body weight. For children eight years of age and older or adults with congenital heart defects, risk stratification may include baseline oxygen saturation, state of palliated physiology, the specific nature of the defect, and history of associated arrhythmias. Measurement of risk stratification may be determined by applying the METs in children eight years of age and older who have undergone treadmill or cycle ergometer testing, or may also include a statement by the patient's cardiologist that takes into account the current hemodynamic status, the specific nature of the defect, and the expected response to exercise.

2.0 Eligible Recipients

2.1 General Provisions

Medicaid recipients may have service restrictions due to their eligibility category that would make them ineligible for this service.

2.2 EPSDT Special Provision: Exception to Policy Limitations for Recipients under 21 Years of Age

42 U.S.C. § 1396d(a) [1905(a) of the Social Security Act]

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) is a federal Medicaid requirement that requires the state Medicaid agency to cover services, products, or procedures for Medicaid recipients under 21 years of age **if** the service is **medically**

necessary health care to correct or ameliorate a defect, physical or mental illness, or a condition [health problem] identified through a screening examination****** (includes any evaluation by a physician or other licensed clinician). This means EPSDT covers most of the medical or remedial care a child needs to improve or maintain his/her health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems. Medically necessary services will be provided in the most economic mode, as long as the treatment made available is similarly efficacious to the service requested by the recipient's physician, therapist, or other licensed practitioner; the determination process does not delay the delivery of the needed service; and the determination does not limit the recipient's right to a free choice of providers.

EPSDT does not require the state Medicaid agency to provide any service, product, or procedure

a. that is unsafe, ineffective, or experimental/investigational.
b. that is not medical in nature or not generally recognized as an accepted method of medical practice or treatment.

Service limitations on scope, amount, duration, frequency, location of service, and/or other specific criteria described in clinical coverage policies may be exceeded or may not apply as long as the provider's documentation shows that the requested service is medically necessary "to correct or ameliorate a defect, physical or mental illness, or a condition" [health problem]; that is, provider documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

****EPSDT and Prior Approval Requirements**

a. If the service, product, or procedure requires prior approval, the fact that the recipient is under 21 years of age does **NOT** eliminate the requirement for prior approval.
b. IMPORTANT ADDITIONAL INFORMATION about EPSDT and prior approval is found in the Basic Medicaid Billing Guide, sections 2 and 6, and on the EPSDT provider page. The Web addresses are specified below.

***Basic Medicaid Billing Guide*:** http://www.ncdhhs.gov/dma/medbillcaguide.htm

EPSDT provider page: http://www.ncdhhs.gov/dma/EPSDTprovider.htm

3.0 When the Procedure, Product, or Service Is Covered

IMPORTANT NOTE: EPSDT allows a recipient less than 21 years of age to receive services in excess of the limitations or restrictions below and without meeting the specific criteria in this section when such services are **medically necessary health care services** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem]; that is, documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

EPSDT DOES NOT ELIMINATE THE REQUIREMENT FOR PRIOR APPROVAL IF PRIOR APPROVAL IS REQUIRED. For additional information about EPSDT and prior approval requirements, see **Section 2.0** of this policy.

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3.1 General Criteria

Medicaid covers a monitored program of outpatient cardiac rehabilitation when it is medically necessary and

a. the procedure is individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the patient's needs;
b. the procedure can be safely furnished, and no equally effective and more conservative or less costly treatment is available statewide; and
c. the procedure is furnished in a manner not primarily intended for the convenience of the patient, the patient's caretaker, or the provider.

3.2 Specific Criteria

Medicaid covers a medically necessary phase II outpatient cardiac rehabilitation program when it is initiated within six months of any of the following conditions:

a. Acute myocardial infarction (MI)
b. Coronary artery bypass grafting (CABG)
c. Percutaneous transluminal coronary angioplasty or coronary artery stenting
d. Heart or heart–lung transplant
e. Heart valve repair or replacement
f. Diagnosis of stable angina pectoris
g. Surgery to palliate a congenital heart defect
h. Repaired or unrepaired congenital heart disease with functional limitations
i. Diagnosis of cardiomyopathy with stable ventricular function
j. Children shall meet the minimum age requirements of eight years of age as deemed an appropriate candidate at the physician's discretion using the guidelines referenced in **Section 1.2, Risk Stratification**

and

the patient meets the criteria in one of the following risk categories.

a. **High-risk** patients are defined as having any one of the following:
    1. Exercise capacity limited to less than or equal to 5 METs
    2. Marked exercise-induced ischemia, as indicated by either anginal pain or 2 mm or more ST depression by ECG, or symptoms such as shortness of breath related to cardiac ischemia
    3. Severely depressed left ventricular function, such as an ejection fraction less than or equal to 30%
    4. Resting complex ventricular arrhythmia
    5. Ventricular arrhythmia appearing or increasing with exercise or occurring in the recovery phase of stress testing
    6. Decrease in systolic blood pressure of 15 to 20 mmHg or more with exercise
    7. Recent (within the last six months) MI that was complicated by serious ventricular arrhythmia
    8. Recent sudden cardiac arrest
    9. Shock or congestive heart failure (CHF) during an MI occurring less than three months previously

b. **Intermediate-risk** patients are defined as having any one of the following:
   1. Exercise capacity limited to 6 to 9 METs
   2. Ischemic ECG response to exercise of less than 2 mm of ST depression
   3. Uncomplicated MI, CABG, or angioplasty and a post–cardiac event maximal functional capacity of 8 METs or less on ECG exercise test
   4. Congenital heart disease with palliated biventricular physiology
   5. Congenital heart disease assessed as intermediate risk by patient's cardiologist

c. **Low-risk** patients are defined as having any one of the following:
   1. Exercise capacity of greater than 9 METs
   2. Biventricular congenital heart disease that has been successfully repaired
   3. Congenital heart disease assessed as low risk by patient's cardiologist

4.0 When the Procedure, Product, or Service Is Not Covered

IMPORTANT NOTE: EPSDT allows a recipient less than 21 years of age to receive services in excess of the limitations or restrictions below and without meeting the specific criteria in this section when such services are **medically necessary health care services** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem]; that is, documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

EPSDT DOES NOT ELIMINATE THE REQUIREMENT FOR PRIOR APPROVAL IF PRIOR APPROVAL IS REQUIRED. For additional information about EPSDT and prior approval requirements, see **Section 2.0** of this policy.

4.1 General Criteria

Cardiac rehabilitation is not covered when

a. the patient does not meet the eligibility requirements listed in **Section 2.0;**
b. the patient does not meet the medical necessity criteria listed in S**ection 3.0;**
c. the procedure unnecessarily duplicates another provider's procedure;
d. the procedure is experimental, investigational, or part of a clinical trial; or
e. medical record documentation does not support the services rendered.

4.2 Specific Criteria and Contraindications

A phase II outpatient cardiac rehabilitation program is not covered when continuous ECG monitoring is not performed for high-risk patients.

Contraindications to an outpatient cardiac rehabilitation program include, but are not limited to, the following:

a. Marked progressive worsening of exercise tolerance, suggesting an acute pathologic process
b. Worsening of dyspnea during exercise over the previous three to five days
c. Acute systemic illness or fever
d. Acute pericarditis

e. Moderate to severe aortic stenosis
f. New onset of atrial fibrillation
g. Recent embolism
h. Acute thrombophlebitis
i. Unstable ischemia
j. Uncontrolled arrythmias
k. Decompensated congestive heart failure
l. Uncontrolled diabetes
m. MI within two weeks

5.0 Requirements for and Limitations on Coverage

5.1 Prior Approval

Prior approval is not required.

5.2 Program Requirements

5.2.1 High-Risk Patients

Medicaid covers up to 36 sessions (three times per week for 12 weeks) of supervised exercise with continuous telemetry monitoring. The sessions shall include the following:

a. An educational program for risk factor/stress reduction
b. An individualized outpatient exercise program that can be self-monitored and maintained
c. Oxygen saturation monitoring for patients with congenital heart disease

5.2.2 Intermediate-Risk Patients

Medicaid covers up to 24 sessions (three times per week for eight weeks) of supervised exercise with continuous telemetry monitoring available, if needed. The sessions shall include the following:

a. Exercise with supervision, but without continuous monitoring, at a controlled rate prescribed during an exercise treadmill test
b. An individualized outpatient exercise program that can be self-monitored and maintained

5.2.3 Low-Risk Patients

Medicaid covers a program of up to six 1-hour sessions (three times per week for two weeks) involving risk factor reduction education and the creation of a self-administered exercise program for home use. Low-risk patients may be candidates for an unmonitored exercise program and do not require continuous telemetry monitoring.

5.3 Service Provisions

Phase II outpatient cardiac rehabilitation programs must be comprehensive and include, at a minimum, a medical evaluation; a patient assessment; risk stratification; care planning with follow-up evaluations; procedures to modify cardiac risk factors, such as nutritional counseling (see **Section 5.5.3**); prescribed counseling (see **Section 5.5.6**);

exercise; education (see **Section 5.7.4**); and a discharge plan. The program design must be provided in accordance with the policies and procedures adopted by the program as indicated in 10A NCAC 14F.1302.

As indicated in 10A NCAC 14F.1801, at least one Advanced Cardiac Life Support (ACLS)–trained staff member who has the appropriate licensure to administer advanced cardiac life support and one other staff member must be present at the site during all program hours. For facilities that are not located within a hospital, or where a hospital resuscitation team is not available to respond in an emergency, a supervising physician, physician's assistant, or nurse practitioner or must be on-site during all program hours. For facilities providing rehabilitation care to children, at least one Pediatric Advanced Life Support (PALS)–trained staff member who has the appropriate certification to administer pediatric life support must be present at the site at all times when pediatric patients are scheduled.

5.4 Program Admission

As indicated in 10A NCAC 14F.1501, an individual order, which may be in the form of a prescription, from the patient's treating provider is required prior to rendering service.

5.5 Assessments

Within five weeks of the patient's admission to the program, the interdisciplinary team must complete and document a cardiac rehabilitation assessment to include, at a minimum, the following components as specified in 10A NCAC 14F.1601.

5.5.1 Medical Assessment

As documented in 10A NCAC 14F.1601(b), the assessment must include the following:

a. cardiovascular evaluation as to present diagnosis, therapy, and a discharge summary of the patient's last hospitalization; or

b. statement by referring physician as to present diagnosis and therapy;

c. resting 12-lead ECG;

d. medical record documentation prior to or during the first exercise session of ECG, hemodynamic data, oxygen saturation (for patients with congenital heart disease), and the presence or absence of symptoms, preferably determined by a graded exercise test. A graded exercise test shall not be required when deemed unnecessary by the patient's attending or personal physician or the program's medical director;

e. fasting blood chemistry, as indicated, to include total cholesterol, high density lipoprotein (HDL) cholesterol, low density lipoprotein (LDL) cholesterol, triglycerides, and other comparable measures;

f. simple spirometry, if clinically indicated; and

g. resting oxygen saturation (for patients with congenital heart disease).

5.5.2 Physical Assessment

As documented in 10A NCAC 14F.1601(c), the assessment must include the following:

a. Functional capacity as determined by measured or predicted (METs)

b. Height, weight, or other anthropometric measures (for example, body mass index, percent body fat, waist-to-hip ratio, girth measurements)

c. Current and past exercise history

d. Physical limitations and disabilities that may impact rehabilitation

5.5.3 Nursing Assessment

As documented in 10A NCAC 14F.1601(d), the assessment must include the following:

a. Coronary risk profile

b. Current symptoms such as angina or dyspnea, and recovery from recent cardiac events

c. Presence of co-morbidities

d. Assessment of medications

e. Educational needs

5.5.4 Nutrition Assessment

As documented in 10A NCAC 14F.1601(e), the assessment must include the following:

a. Review of medical history

b. Eating patterns as measured by a food diary or food frequency questionnaire

c. Fasting bloodwork

d. Anthropometric measures

e. Behavioral patterns

f. Identification of nutritional goals

5.5.5 Mental Health Assessment

As documented in 10A NCAC 14F.1601(f), the assessment must include the following:

a. Past history of mental illness, including depression, anxiety, or hostility or anger

b. Present mental health functioning and need for referral to a mental health professional

5.5.6 Vocational Assessment

As documented in 10A NCAC 14F.1601(g), the assessment must include the following:

a. Vocational questionnaire to determine current vocational status, description of physical requirements of job, working conditions, and psychological demands as perceived by the patient

b. Need for vocational rehabilitation services

Note: To prevent duplication of billing for federally funded services, the N.C. Medicaid program does not cover the provision of vocational services. However,

where it is applicable, cardiac rehabilitation services are required to provide an assessment and refer the patient to the appropriate vocational rehabilitation service.

5.6 Care Planning

In accordance with 10A NCAC 14F.1701, within five weeks of a patient's admission to the program, the interdisciplinary team must develop a cardiac rehabilitation care plan for the patient, and must address, at a minimum, the following services components:

a. Exercise therapy
b. Nutrition services, if indicated
c. Mental health services, if indicated
d. Vocational services, if indicated
e. Educational counseling
f. Cardiac rehabilitation goals
g. Discharge planning

Note: To prevent duplication of billing for federally funded services, the N.C. Medicaid program does not cover the provision of vocational services. However, where it is applicable, phase II outpatient cardiac rehabilitation programs are required to provide an assessment and refer the patient to the appropriate vocational rehabilitation service.

5.7 Service Components

Services must be provided in accordance with 10A NCAC 14F.1800.

5.7.1 Exercise Therapy

Unless contraindicated by medical and laboratory assessments or the cardiac rehabilitation care plan, each patient's exercise therapy must include, as required by 10A NCAC 14F.1802, the following:

a. Mode of exercise therapy: including, but not limited to, walking or jogging, aquatic activity, cycle ergometry, arm ergometry, resistance training, stair climbing, rowing, aerobics
b. Intensity:
    1. up to 85% of symptom-limited heart rate reserve
    2. up to 80% of measured maximal oxygen consumption
    3. rating of perceived exertion (RPE) of 11 to 13 if a graded exercise test is not performed
    4. for MI patients, heart rate not to exceed 20 beats per minute above standing resting heart rate if a graded exercise test is not performed; for post-CABG patients, heart rate not to exceed 30 beats per minute above standing resting heart rate if a graded exercise test is not performed
    5. for patients with congenital heart disease, the intensity shall be determined in consultation with patient's cardiologist.
c. Duration: up to 60 minutes, as tolerated, including a minimum of 5 minutes each for warm-up and cool-down
d. Frequency: minimum of three days per week

The patient must be monitored through the use of electrocardiography (and oxygen saturation for patients with congenital heart disease) during each exercise therapy session. The frequency of the monitoring—continuous or intermittent—must be based on medical acuity and risk stratification.

5.7.2 Nutrition Services

If indicated, based on the nutrition assessment and cardiac rehabilitation care plan, each recipient's program shall include, as required by 10A NCAC 14F.1803, the following nutrition services:

a. Interpretation and feedback on the patient's eating patterns, blood chemistries, anthropometric measures, and behavioral patterns
b. Identification of a therapeutic diet plan to determine, at a minimum, a reasonable body weight and caloric and fat intake
c. Patient counseling or behavior modification based on the therapeutic diet plan and goals

5.7.3 Mental Health Services

If indicated, based on the mental health assessment and cardiac rehabilitation care plan, each recipient's program shall include, as required by 10A NCAC 14F.1804, the following mental health services:

a. Feedback from mental health assessment to the patient
b. Present mental health functioning and need for referral to a mental health professional for evaluation or treatment

5.7.4 Patient Education

Each patient's cardiac rehabilitation care plan must include participation in the program's basic education plan. At a minimum, the education plan must include, as required by 10A NCAC 14F.1806, the following topics:

a. Basic anatomy, physiology, and pathophysiology of the cardiovascular system
b. Risk factor reductions, including smoking cessation and management of blood pressure, lipids, diabetes, and obesity
c. Principles of behavior modification, including nutrition, exercise, stress management, and other lifestyle changes
d. Relaxation training offered at least once per week by staff trained in relaxation techniques
e. Cardiovascular medications, including compliance, interactions, and side effects
f. Basic principles of exercise physiology, guidelines for safe and effective exercise therapy, and guidelines for vocational/recreational exertional activities
g. Recognition of cardiovascular signs, symptoms, and management
h. Environmental considerations such as exercise in hot or cold climates

5.7.5 Vocational Rehabilitation Counseling and Services

To prevent duplication of billing for federally funded services, the N.C. Medicaid program does not cover the provision of vocational services. However, where it

is applicable, cardiac rehabilitation services are required (10A NCAC 14F.1805) to provide an assessment and refer the patient to the appropriate vocational rehabilitation service.

5.8 Follow-up Evaluations

In accordance with 10A NCAC 14F.1702, providers are required to meet on a monthly basis to re-evaluate the patient's progress. Changes to the patient's care plan must be based on the follow-up evaluations.

5.9 Discharge

In accordance with 10A NCAC 14F.1500, a discharge plan must be developed and must include instructions for the patient on how to achieve and maintain the goals established in the care plan. A copy of the discharge summary must be provided to the patient's attending physician.

6.0 Providers Eligible to Bill for the Procedure, Product, or Service

Enrolled Medicaid providers are eligible to bill for phase II outpatient cardiac rehabilitation programs when they are certified by the Division of Health Service Regulation in accordance with 10A NCAC 14F.1200 and the provision of service is within the scope of their practice.

6.1 Staff Requirements

In accordance with 10A NCAC 14F.1301, phase II outpatient cardiac rehabilitation programs must be conducted utilizing an interdisciplinary team composed of a program director, medical director, nurse, exercise specialist, mental health professional, dietician or nutritionist, supervising physician, physician assistant or nurse practitioner, and a Division of Vocational Rehabilitation Services or other vocational rehabilitation counselor.

6.2 Staff Qualifications

It is the responsibility of the provider to ensure that staff meet the required qualifications for the functions they provide.

7.0 Additional Requirements

7.1 Medical Record Documentation

In addition to documenting the risk stratification/exercise tolerance, in accordance with 10A NCAC 14F.2002, the patient's medical record must include, at a minimum, the following:

a. Patient identification data
b. Medical history and, when applicable, hospital discharge summary
c. Graded exercise data, if available
d. Resting 12-lead ECG
e. Signed physician referral
f. Records of blood chemistry analyses
g. Signed informed consent to participate in the program

h. Progress notes and response to the cardiac rehabilitation care plan

i. All records of each discipline's participation in the patient's cardiac rehabilitation care plan

j. A discharge summary, which describes the patient's progress while in the program, reason(s) for discharge, the post-discharge plan, and follow-up as indicated

k. Miscellaneous clinical records developed pursuant to the patient's course of treatment

Note: Documentation must be made available to the Division of Medical Assistance or its agents upon request.

7.2 Records Retention

As a condition of participation, providers are required to keep records necessary to disclose the extent of services rendered to recipients and billed to the N.C. Medicaid program [Social Security Act 1902(a)(27) and 42 CFR 431.107]. Records must be retained for a period of at least five years from the date of service, unless a longer retention period is required by applicable federal or state law, regulations, or agreements (10A NCAC 22F.0107).

Copies of records must be furnished upon request.

The Health Insurance Portability and Accountability Act (HIPAA) does not prohibit the release of records to Medicaid (45 CFR 164.502).

7.3 Emergency Equipment

Phase II outpatient cardiac rehabilitation programs must comply with the regulations pertaining to emergency plans and equipment in 10A NCAC 14F.1902.

The facility must have available for immediate use the necessary cardiopulmonary, emergency, diagnostic, and therapeutic life-saving equipment accepted by the medical community as medically necessary, including, but not limited to, portable suction equipment, oxygen tank supply, regulator and mask for nasal cannula, intubation equipment, other appropriate cardiopulmonary resuscitation equipment including medications, and a portable defibrillator.

The facility also must have a communication system to access emergency services and a written plan approved and signed by the medical director establishing the procedures to use to handle any emergencies occurring on site while cardiac rehabilitation services are being provided. All equipment must be serviced and maintained according to manufacturers' instructions and recommendations. Facilities providing care to children eight years of age and older must have age/size-appropriate life-saving equipment available for immediate use.

7.4 Federal and State Requirements

All providers must comply with all applicable federal and state laws and regulations.

8.0 Policy Implementation/Revision Information

Original Effective Date:

Revision Information:

Date	Section Revised	Change

Attachment A: Claims-Related Information

Reimbursement requires compliance with all Medicaid guidelines, including obtaining appropriate referrals for recipients enrolled in the Medicaid managed care programs.

A. Claim Type

1. Medical diagnostic clinics and physicians enrolled in the N.C. Medicaid program bill services on the CMS-1500 claim form/837P transaction.
2. Hospital outpatient clinics enrolled in the N.C. Medicaid program bill services on the UB-04 claim form/837I transaction.

B. Diagnosis Codes

Providers must bill the ICD-9-CM diagnosis codes(s) to the highest level of specificity that supports medical necessity.

C. CPT Procedure Code(s)

93797	Physician services for outpatient cardiac rehabilitation, **without** continuous ECG monitoring (per session)
93798	Physician services for outpatient cardiac rehabilitation; **with** continuous ECG monitoring (per session).

D. Revenue Code(s)

Hospital outpatient clinics bill for services using RC 943.

The service components (**Sections 5.0** through **7.0**) are not separately reimbursable.

E. Modifiers

Providers are required to follow applicable modifier guidelines.

F. Billing Units

One unit = one session

G. Place of Service

Phase II outpatient cardiac rehabilitation programs must be provided in hospital outpatient clinics, physicians' offices, and medical diagnostic clinics.

H. Co-Payments

Phase II outpatient cardiac rehabilitation programs are subject to co-payment requirements.

I. Reimbursement

Providers must bill their usual and customary charges.